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CITY OF  
TUCSON

GENERAL SERVICES  
DEPARTMENT

August 31, 2010

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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
Docket Control Center  
1200 West Washington St  
Phoenix AZ 85007

**Re:** Proposed City of Tucson Responses to the Aggregated Net Metering Questions for Arizona Corporation Commission (ACC) Workshop on September 1, 2010

Dear Mr. Lloyd:

The City of Tucson respectfully requests the following responses to the Aggregated Net Metering Questions for Arizona Corporation Commission (ACC) Workshop on September 1, 2010, be inserted into Docket No. E-00000J-10-0202.

**1. Please define Aggregated Net Metering (ANM).**

Response: ANM is any utility policy which allows for the kWh output of a renewable energy facility to be offset against kWh charges in an electricity bill generated at a meter different than the one where the renewable energy facility is located

**2. Compare and contrast ANM to Virtual NM, Community NM and Community Choice Aggregation concepts**

Response: The City of Tucson sees ANM as the overarching concept which could include all of these other related ideas as we understand them.

**3. Please address the following ANM policy design issues: [Note: selected responses only]**

**A. Which customer classes should be eligible for ANM?**

Response: All

**B. What are the minimum and maximum system sizes that should be eligible for ANM:**

Response: None. All systems should be eligible

Arizona Corporation Commission

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**To:** Arizona Corporate Commission

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**D. Should all participating ANM accounts be within the same location as their generation source or can ANM loads and generation sources be in separate geographic locations?**

Response: No geographic restrictions other than within same electricity provider service territory.

**E. Should all participating accounts be owned and operated by the same entity?**

Response: No. This requirement would eliminate shopping centers, multi-tenant housing, and even TEP's own community solar project.

**F. How does a customer designate participating accounts, and how often can a customer change account designations?**

Response: A simple form from the utility should be sufficient. There should be an opportunity to modify this wherever new renewable projects come online; otherwise, once each six months seems adequate.

**G. How many accounts may a customer designate to participate in a single ANM system?**

Response: Unlimited

**I. Can participating accounts be on any retail tariff?**

Response: Yes

**J. Should all participating accounts on a certain ANM generation source be on the same retail tariff?**

Response: Yes

**K. Can [or should] an ANM generator serve on-site electrical demand? If so, what would be allocated to other accounts, instantaneous excess generation or monthly excess generation?**

Response: Monthly excess generation

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**L. What charges, if any, should be assessed to customers enrolling in ANM?**

Response: None, unless there is a utility demonstration of some additional cost. Then the charge should cover that cost.

**M. What effect would the implementation of an ANM policy have on existing Net Metering Rules?**

Response: Unlikely to have any other than potentially making renewable energy more widely available.

**N. Will adoption of an ANM policy increase the installation of distributed renewable energy facilities in Arizona?**

Response: Yes

**Q. Does ANM require "totalizing" of meters in order to work?**

Response: No, but this approach would be appropriate for some customers with many meters in one class, such as the City of Tucson in Rate 40.

**7. What are the potential positive impacts of adopting an ANM policy?**

Response: Installation of more solar projects; more customers relying on solar to provide part or all of their electrical load, and additional public support of solar.

**8. What are the potential negative impacts of adopting an ANM policy?**

Response: None known at this time.

**9. Should the ACC adopt ANM? Why or why not?**

Response: Yes. This would be an incentive to utility customers with more than one meter to install solar, particularly if they have the "big roof, small load" problem at one location. Since utility companies usually aggregate bills of multi-meter simplify the accounting. However any incentive for building additional solar such as ANM, which may well result in cheaper renewable electricity, should be closely reviewed and adopted.

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**10. If the ACC decides to adopt ANM, should it be implemented on a trial or pilot basis?**

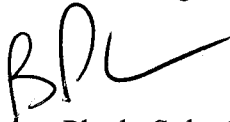
Response: Since all ACC policies are subject to future review and modification and since similar programs are in effect in other states and appear to have been successful, such a program should be adopted as a full program, with review set in one year to make any needed changes.

If you have any questions, please contact either Doug Crockett or Bruce Plenk at (520) 791-5111, ext. 327, or via email at [doug.crockett@tucsonaz.gov](mailto:doug.crockett@tucsonaz.gov) or [bruce.plenk@tucsonaz.gov](mailto:bruce.plenk@tucsonaz.gov).

Sincerely,



Doug Crockett, Energy Manager  
Facilities Management



Bruce Plenk, Solar Energy Coordinator  
Facilities Management

RCL:tl:dc:bp:lm

c: Tony Larrivee, Facilities Management Administrator